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THE INSIDER - SPECIAL EDITION

2024 LEGISLATIVE SESSION UPDATE - WEEK 7

With Week 7 of Week 9 in the books, we've now surpassed the 40 day mark of the 60 day legislative session.

With only two weeks to go, the budget conference meetings have begun and CFHLA continues to push back on the House proposal that would limit all new Tourist Development Taxes (TDT) to six (6) years and would require existing TDT's (such as from Orange, Osceola and Seminole Counties) to be re-approved by the voters by July 1, 2029 and subsequently reapproved by the voters every six (6) years thereafter. CFHLA is in strong opposition to this proposal, as this harmful approach to TDT could be extremely detrimental to our industry and local community.

Additionally, the House Ways and Means Committee held a workshop last week dedicated to the TDT. During this committee meeting, committee staff presented a full overview of the statue, discussing the history and current allowable uses. We would like to thank our local State Representative David Smith for his comments in support of our industry during the workshop and helping to educate others on the importance of the TDT to our local hospitality and tourism industry. We recommend you watch the committee meeting at your convenience, by **CLICKING HERE**.

As we previously mentioned, the House Appropriations Committee passed its yearly tax package last week on a 25-4 vote. The bill (HB 7073) now includes a provision from Gov. Ron DeSantis granting homeowners a one-year exemption on state taxes and insurance assessments for policies enacted or renewed after October 1. This tweak aims to lower premiums by 1.75% on homesteaded properties, with insurers required to pass on the savings to consumers. While it falls short of the Senate's plan (SB 7074) for a 1.75% credit on insurance rates under \$750,000, it is expected to save homeowners \$363.2 million over two years. Additionally, the House aims to reduce the business rent tax to 1.25% from July 1, saving businesses an estimated \$308.6 million.

Meanwhile the Senate's proposal includes a \$900 million cut, unanimously approved by the Senate Finance and Tax Committee, to decrease insurance premium taxes. Also, the Senate's plan includes increasing the sales tax remittance allowance from \$30 to \$45, saving \$47.3 million. Lastly and most importantly, the Senate's proposal does not include the TDT voter referendum language but but converges with the House's proposal on a series of sales tax holidays, such as the month-long "Freedom Month" exempting taxes on various activities and outdoor items and expands the Strong Families Tax Credit.

Both pieces of legislation await floor debates, with reconciliations anticipated in budget conferencing. Leaders from both chambers must reconcile differences in the final weeks of the Regular Session.

Lastly, CFHLA continues to monitor the progression of the other bills that are important to our industry including: maintaining **full funding for Visit Florida**, the **statewide regulation of vacation homes and advertising platforms**, increased funding and incentives to encourage additional

workforce housing opportunities, storm water issues, revisions to the Florida Timeshare Act, and many others.



CLICK HERE to download the complete 2024 CFHLA Legislative Agenda.

LEGISLATIVE ALERT - FUTURE OF TOURIST DEVELOPMENT TAX (TDT) THREATENED

The Florida House tax package includes a provision that would sunset the Tourist Development Taxes (TDT) unless approved by a voter referendum before July 2029.

This proposal has been passed the House Appropriations Committee and is awaiting floor debates. This would require all Tourist Development Taxes (TDT) in effect as of June 30, 2024, to be renewed by voter referendum on or before July 1, 2029. If a TDT is not approved through referendum before that time, it will expire. Subsequently, all TDT levies approved by referendum will

expire after six years but may be renewed for subsequent six-year periods if each six-year period is approved by referendum. Despite the bill passing, adjustments are expected during budget negotiations between the House and the Senate.

The statewide lodging industry agreed to levy the Tourist Development Taxes specifically to fund local tourism promotion through marketing and advertising, and this bill is a massive breach of that agreement.

Here's what this proposal could mean:

- Local governments will shoulder the cost of a referendum every six years.
- Resources will need to be expended every six years to promote readoption of the TDT, rather than concentrating resources and efforts on the work of tourism promotion and community impact.
- TDT revenues pledged for bonding prior to June 30, 2024, will not be disturbed, but future revenues will only be eligible for bonding for projects in which the bonds can be retired in six years or less.
 This will eliminate any significant projects that require a longer bonding period such as the Orange County Convention Center, Camping World Stadium, etc.
- If TDT levies are not approved for referendum, this will be a significant loss of necessary funding for our local DMO's who promote and market Central Florida's most important industry. This would have a direct impact on the number of visitors who travel to our destination in the future.
- All entities and staff positions that rely on TDT collections will be in jeopardy and could result in economic uncertainty for our region.

We urge all of our CFHLA members and partners to <u>contact your</u> <u>Delegation members</u> in opposition.

CFHLA STONGLY OPPOSES

TOURIST DEVELOPMENT TAX (TDT)

CFHLA is also closely monitoring is **SB 1748 / HB 1599 Tourist Development Tax by Senator Brodeur and Representative Truenow.**

This bill would prohibit a county from spending more than 25 percent of the TDT on an individual project unless the governing board of the county approves such use by supermajority vote.

HB 1599 by Representative Truenow – **No action** was taken in the House last week.

SB 1748 by Senator Brodeur – **Now is in its last committee, Appropriations.**

HB 1081 by Representative Porras – **Now in its second committee stop, the House Ways and Means.**

HB 1453 by Representative Valdes - **No action** was taken in the House last week.

SB 872 by Senator Stewart - No action was taken in the Senate last week.

SB 1072 by Senator Avila - Now in its second committee stop, the Senate Finance and Tax Committee.

SB 1594 by Senator Stewart - No action was taken in the Senate last week.

CFHLA MONITORING



VISIT FLORIDA FUNDING

CFHLA supports the Governor's proposed budget, which includes \$105 million in funding for VISIT FLORIDA (increase from \$80M in FY 2023-2024). Funding of VISIT FLORIDA ensures Florida continues to be top of mind as a leading vacation destination.

Great News for the Hospitality and Tourism Industry! This week, the House and Senate have agreed to fund VISIT FLORIDA at \$80 million, with all \$80 million recurring for the next fiscal year.

While this is the same overall funding as the current fiscal year, this is an significant increase from the current \$30 million recurring. This means that VISIT FLORIDA will have a minimum budget of \$80 million in annual funding from the state moving forward, which is the largest amount appropriated ever!

CFHLA also opposes any efforts to replace VISIT FLORIDA funding from the state budget with County-level TDT revenues.

CFHLA SUPPORTS



VACATION HOME RENTALS & ADVERTISING PLATFORMS

We continue to remain optimistic about the passage of the Vacation Home Rental bill SB 280 / HB 1537 by Senator Nick DiCeglie and Representative Griff Griffitts. The House and the Senate have debated this legislation over the past decade and this bill is a fair approach to all parties involved. SB 280 will lead to the regulation of vacation home rentals and is intended to be a compromise where local governments will have greater authority over vacation rentals than before, while vacation rental owners would have more uniformed structure and standards

Moreover, CFHLA supports the current Senate version but we are continuing to advocate for an amendment to SB 280 that would add in safety components to include health and safety standards such as human trafficking awareness, training and prevention, regular health and safety

standards and inspections, pool safety and drowning prevention, hygiene and cleaning procedures to protect visitors and their experience.

We are grateful to the bill sponsor Senator Nick DiCeglie for remaining diligent in continuing this year to pass this bill.

HB 1537 by Representative Griffitts – The bill passed the House Commerce Committee on February 22, 2024 by a vote of 13-5. The bill is now ready for consideration on the House Floor.

SB 280 by Senator DiCeglie – The bill passed the Senate Floor on February 1, 2024 by a vote of 27-13 and is now in House Messages.

CFHLA SUPPORTS



WORKFORCE HOUSING

CFHLA supports full funding for the Sadowski Fund, as the Central Florida community has a dire need for more reliable and affordable rental housing.

In addition to existing State Apartment Incentive Loan dollars (usually known as SAIL), CFHLA would like to see the legislature increase the percentage of State Housing Incentive Partnership dollars (usually known as SHIP) that can be used for rental housing.

CFHLA also encourages the Legislature to consider creating incentives to encourage innovative approaches to affordable housing development. For example: incentives for development of high-quality rental properties in key areas or incentives and tax credits for businesses to create housing for their own staff.

Specifically, **Senate Bill 328 by Sen. Alexis Calatayud** and **House Bill 1239 by Rep. Vicki Lopez** seek amendments to the Live Local Act, the new affordable housing law passed last year that CFHLA supported. **CFHLA supports** these bills and appreciates the Governor's Leadership in proposing \$208.6 million for the State Housing Partnership Program (SHIP), \$89.5 million for the State Apartment Incentive Loan Program (SAIL) and \$100 million for the Hometown Heroes program for down payment and closing cost assistance for first time homebuyers.

SB 328 by Senator Calatayud - The bill passed the Senate Floor on February 7, 2024 by a vote of 40-0 and is now in House Messages.

HB 1239 by Representative Lopez – The bill passed Appropriations

Committee on February 20. 2024 by a vote of 28-1. The bill is now ready for consideration on the House Floor.

CFHLA SUPPORTS

IMMIGRATION REFORM

CFHLA encourages solutions to our current immigration reform policies that help our hospitality businesses and economy thrive instead of hindering them.

There have been two bills filed this session regarding this issue. Each bill urges the Federal Government to secure the southern border of the United States, enforce Federal Immigrations Laws, and fix the legal immigration system.

HM 669 by Representative Sirois – **Added to the Second Reading Calendar**

SM 598 by Senator Ingoglia – The bill passed the Senate Floor on February 14, 2024 and is now in House Messages.

CFHLA SUPPORTS

FLORIDA TIMESHARE ACT

CFHLA supports HB 429 by Rep. Robinson and SB 756 by Sen.

Perry which seeks the clarification and modernization of several provisions in the Florida Timeshare Act. This is ARDA's legislative proposal.

These bills would:

- Grant timeshare associations with the authority and flexibility to remove an amenity;
- Expanding the "Inn Keeper's Rights" to include timeshare properties (currently only licensed lodging establishments are included in this Statute);
- And clarify an existing provision that timeshare associations shall issue estoppel certificates.

<u>HB 429</u> by Representative Robinson – The bill passed the House Floor on February 15, 2024 by a vote of 118-0.

SB 756 by Senator Perry – The bill passed the Senate Floor on February 21, 2024 by a vote of 37-0 and will now be sent to the Governor for consideration.

CFHLA SUPPORTS

REGULATION OF CASHLESS BUSINESSES

CFHLA is opposing HB 35 by Rep. Rudman and SB 106 by Sen. Jones which would require most brick-and-mortar businesses to accept cash, which combats the counter effort of accepting only electronic forms of payment. Several businesses have moved to cashless sales.

SB 106 by Senator Jones – Now awaiting final committee stop, Fiscal Policy.

HB 35 by Representative Rudman – This bill has three committee stops and has not been heard yet.

CFHLA OPPOSES

REVISIONS TO FLORIDA'S CHILD LABOR LAWS

CFHLA Supports HB 49 by Rep. Chaney and SB 1596 by Sen.

Burgess. The Work Hour Law Moves allows 16- and 17-year-olds to work extended hours and is seen as beneficial for teens already working beyond legal limits off the books.

This bill would be beneficial to the hospitality and tourism industry as it works to address worker shortages post-pandemic, help with retention and help minors and their families to succeed in the current economic environment.

HB 49 by Representative Chaney – The bill passed the House Floor on February 1, 2024 by a vote of 80-35 and is now in Senate Messages.

SB 1596 by Senator Burgess – The bill passed the Senate Rules

Committee by a vote of 15-3 on February 26, 2024 and is now awaiting consideration on the Senate Floor

CFHLA SUPPORTS

SCHEDULE FOR SESSION WEEK 8 (FEBRUARY 26-MARCH 1)

To view the Senate's schedule, CLICK HERE.

To view the House's schedule, CLICK HERE.

UPCOMING CFHLA PAC/PC MEETING

The next CFHLA PAC/PC Boards of Director Meeting will be on **Wednesday**, **April 3rd from 8:15 a.m. - 9:15 a.m. at the CFHLA office**.

UPCOMING GOVERNMENTAL AFFAIRS MEETING

The next Governmental Affairs meeting will be held on Wednesday, March 13th at the Signia by Hilton Bonnet Creek (thank you, Fred Sawyers) from 12:00 noon - 1:30 PM.

UPCOMING EVENTS

Week 8 (This Week) - The House and Senate have appointed Joint conference committees, made up of both Representatives and

Senators. These committees negotiate the differences between the House and Senate budget proposals.

Week 9 (Next Week) - The House and Senate will each vote and pass an agreed upon FY 2024-2025 budget.

Friday, March 8, 2024 - This will mark the end of the 2024 Florida Legislative Session (Sine Die).

Lastly, between March 4 and June 30, the Florida Legislature will send the budget, along with remaining bills that passed both chambers to the Governor for his consideration.

DONATE

CFHLA MEMBERS - Please consider making a donation of \$50 via the link below to the CFHLA PAC/PC. All contributions help CFHLA expand its efforts to support and endorse Hospitality-Friendly candidates for local and state offices. In the 2022 General election, all 16 CFHLA endorsed candidates were successfully elected into office.

DONATE

As a reminder, all CFHLA Board Members, PAC/PC Board Members, and ARC Board Members have committed to contributing \$200 to the CFHLA PAC/PC in 2024. If you are a part of one or more of these groups, please consider fulfilling your commitment today.

IN THE NEWS

<u>Eatonville's Bid for the Florida African American History Museum Amid</u> <u>Land Dispute</u> - Bnn Breaking News

Fair Housing Protection Event held in Orlando - Spectrum News 13

<u>Museums Partner to Bring Global Black Artists to Central Florida</u> - Spectrum News 13

Orlando City Looks to Build on Strong 2023 as it Kicks Off New Season - Spectrum News 13

<u>Here's all the Ballot Questions for Central Florida Voters to Decide</u> - Spectrum News 13

CONNECT WITH CFHLA



About CFHLA

6675 Westwood Blvd #210, Orlando, FL 32821

The mission of the Central Florida Hotel and Lodging Association is to represent the Central Florida Hospitality Industry, by setting the standard of excellence through advocacy, collaboration, education, recognition, and service.